

Nebraska Public Service Commission

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July 8, 1998

BY FEDERAL EXPRESS

Magalie Roman Salas, Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

Re: CC Docket No. 96-45, 97-160

Dear Ms. Salas:

Enclosed please find the original and five copies of the Nebraska Public Service Commission's comments in the above docket.

Sincerely,


John Doyle
Staff Attorney

Enclosure

No. of Copies rec'd 0+5
List A B C D E

COMMISSIONERS:
ANNE C. BOYLE
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EXECUTIVE DIRECTOR:
ROBERT R. LOGSDON

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter Of)	
)	
Federal-State Joint Board on)	CC Docket 96-45, 97-160
Universal Service)	
)	DA 98-1055
)	

REPLY COMMENTS BY THE NEBRASKA PUBLIC SERVICE COMMISSION

The Nebraska Public Service Commission (NPSC) respectfully submits the following reply comments in response to the Federal Communications Commission's (FCCs) Public Notice released June 4, 1998.

The NPSC worked diligently to select a working cost model with appropriate inputs prior to the FCC's prescribed deadline of May 26, 1998. We believe our selection of the Benchmark Cost Proxy Model (BCPM) best fits Nebraska's needs at this time.

Since our order selecting BCPM was entered and was filed with the FCC, a motion for rehearing was filed by US West Communications and Aliant Communications Company. Both companies have requested the NPSC review the input regarding the cost of cable that was identified in our order. The NPSC changed the default value of this specific input, and instead relied upon evidence offered by GTE's witness.

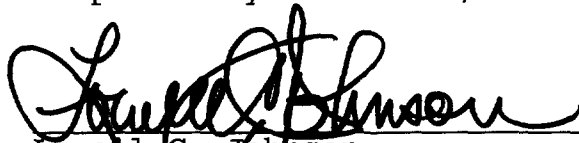
An oral argument has been held on the motion, and the NPSC has found that a rehearing on this issue is warranted. The rehearing has been scheduled for July 23, 1998.

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While it is uncertain at this time whether any change will be recommended by the NPSC with regard to this input, we wanted to keep the FCC apprised of all activities regarding the BCPM selection in Nebraska. Upon conclusion of the hearing, our findings will be forwarded to the FCC.

The NPSC submits these reply comments in response to the Public Notice, DA 98-1055 released June 4, 1998.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Lowell C. Johnson', is written over a horizontal line.

Lowell C. Johnson
Chairman
Nebraska Public Service Commission
300 The Atrium, 1200 N Street
Lincoln, Nebraska 68508

Dated: July 8, 1998